GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:324
ANSWERED ON:22.07.2003
EXEMPTION OF DRUGS FROM PRICE CONTROL
RAMSHETH THAKUR

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a): whether it is a fact that the Union Government have exempted the manufacturers ofnew drugs, developed through indigenous R&D from price control for 15 years;

(b) if so, the details thereof; and

(c) the details of the other proposals being considered by the Government regarding R&D in pharma sector for the manufacturers?

Answer

THE MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS (Dr. Chhattra Pal Singh)

(a)&(b) : The Government have issued Guidelines for the purpose of grant of exemptionunder paragraph 25 of the Drugs (Prices Control) Order,1995 to a drug manufacturing unit from the provisions of paragraphs 3, 8 and 9 of the said Order, in respect of such new bulk drugs which have not been produced elsewhere if developed and produced by that unit through indigenous research and development, for a period of ten years reckoned from the date of commercial production of such bulk drug subject to the conditions specified in the guidelines.

(c) : In February,2002, the Governmentannounced the `Pharmaceutical Policy-2002`, which includes in principle approval to the establishment of the Pharmaceutical Research &Development Support Fund (PRDSF) under the administrative control of Department of Scienceand Technology, which will also constitute a Drug Development Promotion Board (DDPB) on the lines of the Technology Development Board (TDB) to administer the utilization of the PRDSF. A provision of Rs.150.00 crores has been made for setting up of PRDSF under the overall budget of Department of Science and Technology.